

Rockport Finance Committee

Combined Minutes of 3/10/2014, 3/11/2014 & 3/12/2014

Note: These were meetings that continued one to another. They were all part of the process of discussing and voting on the Committee's recommendations on all budget items for the Upcoming Town Meeting. By the end of the final meeting, recommendations for all budget items had been decided and voted.

Chairman Wally Hess called the meetings to order at 7pm in the library. Except for David Coyne, most members were present at all of the meetings.

The major items of discussion and decisions to recommend were as follows:

- 1. The committee recommended that the town should increase the school department's budget by \$275,000 more than the 2% for labor and 1% for operations. It also recommended that the school budget should not be reduced to account for the \$43,000 of phone and copier expense assumed by the IS&T department. In addition, it recommended that a SPED Stabilization Fund be established at the initial level of \$200,000, which will be funded \$150,000 from free cash and \$50,000 from other transfers. A subcommittee of the Finance Committee and the School Committee will work out the details of how the deposits to and withdrawals from this fund will be calculated in the future.**
- 2. The committee strongly desired having excess levy be at least \$200,000 because there are many uncertainties coming up very soon. We discussed reducing the FinCom Reserve at FTM if needed to cover adverse changes.**
- 3. The committee is concerned that increases in debt service over the next two years may be unaffordable. These increases will be the result of funding out both existing temporary debt and new debt incurred for new items being recommended this year. The aggregate of these debt service increases approximate \$600,000 per year.**
- 4. Two expense items were discussed at length. Funding for the Economic Development Committee was cut by \$25,000, and for the IS&T Department funding was cut about \$40,000 from the Selectmen recommendation. Both of these will be reviewed at FTM if funding becomes available.**
- 5. Joe Parisi presented the cases for STM Articles J, K and L. He stated that FEMA was in the process of approving these projects for 75% reimbursement, but the Town needed to appropriate the total amount first, and put the projects out to bid. Despite the**

risks of reimbursement being late or less than hoped, the committee decided to recommend them for approval.

6. The committee discussed the \$130,000 of temporary debt for the Millbrook Dam. It needs to be repaid by summer, and the question was whether to fund it at STM or ATM. The committee decided to fund it at STM because the budget for FY15 is very tight. Parisi expects reimbursement from the state for the entire amount very soon.
7. The committee decided to fund \$60,020 for the Phase 3 School Network Upgrades with debt instead of free cash as voted previously.

The committee voted as follows:

- A. Article 5. Mike Lamoureux moved, Frank Hassler seconded, and approval was unanimous.
- B. Article 6. Mike Lamoureux moved, Frank Hassler seconded, and approval was unanimous.
- C. Article 5A. June Michaels moved, Frank Hassler seconded, and approval was unanimous.
- D. Article 5B. Mike Hughes moved, Mike Lamoureux seconded, and approval was unanimous.
- E. Article 6A & B. Wally Hess moved, Mike Lamoureux seconded, and approval was unanimous.
- F. DPW FinCom Reserve transfer of \$30,000 for fuel. Laurene Wessel moved, Mike Hughes seconded, and approval was 7-1, with Bill Wagner dissenting.
- G. The committee approved the form of Report to the Voters that goes in the Voter Booklet for Town Meeting.
- H. The committee voted to recommend approval of the following STM Articles: A through G, I through L and O.
- I. The committee voted to recommend approval of the following ATM Warrant Articles: B through F, I, K, N through P.
- J. It did not recommend against approval of any articles.

All meetings adjourned between 9:30 and 10 PM.